



United States Department of the Interior

BUREAU OF OCEAN ENERGY MANAGEMENT

New Orleans Office
1201 Elmwood Park Boulevard
New Orleans, LA 70123-2394

In Reply Refer To: MS GM 266A
OCS-G 29339

January 26, 2024

Talos Energy Ventures, LLC
c/o McGriff
10100 Katy Freeway, Suite 400
Houston, Texas 77043-5272
Attn: Ashley Koletar, Attorney-in-Fact

Dear Ms. Koletar:

Your letter dated January 12, 2024, submitting replacement Supplemental Multi-Obligee Performance Bond No. PB01626000360, in the amount of \$610,814.58, was received by our office on January 12, 2024. This bond, conditioned to cover Right-of-Way (ROW) Grant OCS-G 29339, was executed on January 18, 2024, with Talos Energy Ventures, LLC (03026) as principal and Philadelphia Indemnity Insurance Company as surety. The Principal and Surety are held and firmly bound unto the Bureau of Ocean Energy Management, and Shell Offshore, Inc., (00689), as Co-Obligees.

This bond replaces Outer Continental Shelf (OCS) Supplemental Multi-Obligee Performance Bond No. 106438735, in the amount of \$610,814.58. This bond, conditioned to cover ROW Grant OCS-G 29339, was executed on March 6, 2017, with EnVen Ventures, L.L.C. as principal, and Travelers Casualty and Surety Company of America, as surety, as well as the Rider attached to and forming part of the bond whereby EnVen Energy Ventures L.L.C. changed their name to Talos Energy Ventures, LLC, dated effective February 13, 2023.

The replacement bond, Bond No. PB01626000360, conforms to the requirements of the leasing and operating regulations for submerged lands of the Outer Continental Shelf and is considered effective as of December 21, 2023. The period of liability of Outer Continental Shelf (OCS) Multi-Obligee Supplemental Bond No. 106438735 is considered to have terminated and the bond is considered cancelled without residual liability on the same date.

Should you need further assistance, please contact Brad Fremen at (504) 736-2617 or boemgomrfinancialassurance@boem.gov.

Sincerely,

**BRIDGETTE
DUPLANTIS** Digitally signed by
BRIDGETTE DUPLANTIS
Date: 2024.01.26
06:56:03 -06'00'

Bridgette Duplantis, Section Chief
Leasing and Financial Responsibility Section,
Office of Leasing and Plans

cc: Talos Energy Ventures, LLC (Principal)
333 Clay Street, Suite 3300
Houston, Texas 77002
Attn: Sergio L. Maiworm, Jr.
Chief Financial Officer and Senior Vice President

Shell Offshore Inc. (Co-Obligee)
150 N. Dairy Ashford Road
Houston, Texas 77079
Attn: Legacy Rights and Obligations

Philadelphia Indemnity Insurance Company (Surety)
One Bala Plaza, Suite 100
Bala Cynwyd, Pennsylvania 19004
Attn: Melanie Salinas, Attorney-in-Fact

Sent Via Email To: patricia.rodriguez@TalosEnergy.com; akoletar@mcgriff.com;
Philip.Ladner@shell.com; amanda.wickman@phly.com; vcarus@travelers.com



RECEIVED
January 12, 2024
Leasing & Financial
Responsibility Section

January 12, 2024

via email transmission (boemGOMRfinancialassurance@boem.gov)

Bureau of Ocean Energy Management
Attn: Leasing & Financial Responsibility Section
1201 Elmwood Park Blvd., Mail Stop GM 266A
New Orleans, Louisiana 70123-2394

**Re: Request for Acceptance of Replacement Bond
PB01626000360 and Request for Cancellation of Bond
1066438735 for ROW OCS-G 29339;**

Dear Sir or Madam:

Talos Resources LLC hereby requests that BOEM accepts the following described "New Replacement Bond" (full copy attached), effective as of the date reflected in the Bond and provides cancellation of the following "Current Bond" (full copy attached), effective as of the date reflected in the New Replacement Bond which is Dec. 21, 2023.

New Replacement Bond:

Principal	Surety	Bond No.	Bond Amount	Bond Type
Talos Energy Ventures, LLC	Philadelphia Indemnity Insurance Company	PB01626000360	\$610,814.58	Multi-Obligee Performance Bond

Current Bond:

Principal	Surety	Bond No.	Bond Amount	Bond Type
Talos Energy Ventures, LLC	Travelers Casualty and Surety Company of America	106438735	\$610,814.58	Multi-Obligee Performance Bond

As this request is accepted and processed, please email a fully executed copy of the Replacement Bond to my attention at the email address below and email the Release letter to the following parties.

Patricia Rodriguez, Talos Energy: Patricia.Rodriguez@TalosEnergy.com
Ashley Koletar, McGriff (Broker): akoletar@mcgriff.com

Thank you for your consideration in this regard. Should you have any questions, please contact the undersigned at (713) 906-3013 or at the above-stated email address.

Sincerely,

Ashley Koletar
Attorney-in-Fact

PHILADELPHIA INDEMNITY INSURANCE COMPANY

One Bala Plaza, Suite 100
Bala Cynwyd, PA 19004-0950

Power of Attorney

KNOW ALL PERSONS BY THESE PRESENTS: That PHILADELPHIA INDEMNITY INSURANCE COMPANY (the Company), a corporation organized and existing under the laws of the Commonwealth of Pennsylvania, does hereby constitute and appoint Joseph R. Aulbert, Marc W. Boots, Ashley Koletar, Vickie Lacy, Richard Covington, Heather Noles, Ryan Varela, Melanie Salinas, and/or Maria D. Zuniga of McGriff Insurance Services, LLC, its true and lawful Attorney-in-fact with full authority to execute on its behalf bonds, undertakings, recognizances and other contracts of indemnity and writings obligatory in the nature thereof, issued in the course of its business and to bind the Company thereby, in an amount not to exceed \$50,000,000.

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of PHILADELPHIA INDEMNITY INSURANCE COMPANY on the 14th of November, 2016.

RESOLVED: That the Board of Directors hereby authorizes the President or any Vice President of the Company: (1) Appoint Attorney(s) in Fact and authorize the Attorney(s) in Fact to execute on behalf of the Company bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof and to attach the seal of the Company thereto; and (2) to remove, at any time, any such Attorney-in-Fact and revoke the authority given. And, be it

FURTHER RESOLVED: That the signatures of such officers and the seal of the Company may be affixed to any such Power of Attorney or certificate relating thereto by facsimile, and any such Power of Attorney so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.

IN TESTIMONY WHEREOF, PHILADELPHIA INDEMNITY INSURANCE COMPANY HAS CAUSED THIS INSTRUMENT TO BE SIGNED AND ITS CORPORATE SEAL TO BE AFFIXED BY ITS AUTHORIZED OFFICE THIS 5TH DAY OF MARCH, 2021.

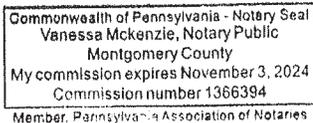
(Seal)



John Glomb, President & CEO
Philadelphia Indemnity Insurance Company

On this 5th day of March, 2021 before me came the individual who executed the preceding instrument, to me personally known, and being by me duly sworn said that he is the therein described and authorized officer of the PHILADELPHIA INDEMNITY INSURANCE COMPANY; that the seal affixed to said instrument is the Corporate seal of said Company; that the said Corporate Seal and his signature were duly affixed.

Notary Public:



residing at:

Bala Cynwyd, PA

My commission expires:

November 3, 2024

I, Edward Sayago, Corporate Secretary of PHILADELPHIA INDEMNITY INSURANCE COMPANY, do hereby certify that the foregoing resolution of the Board of Directors and the Power of Attorney issued pursuant thereto on the 5th day March, 2021 are true and correct and are still in full force and effect. I do further certify that John Glomb, who executed the Power of Attorney as President, was on the date of execution of the attached Power of Attorney the duly elected President of PHILADELPHIA INDEMNITY INSURANCE COMPANY.

In Testimony Whereof I have subscribed my name and affixed the facsimile seal of each Company this 21st day of December, 2023

Edward Sayago, Corporate Secretary
PHILADELPHIA INDEMNITY INSURANCE COMPANY





**Travelers Casualty and Surety Company of America
Travelers Casualty and Surety Company
St. Paul Fire and Marine Insurance Company**

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That Travelers Casualty and Surety Company of America, Travelers Casualty and Surety Company, and St. Paul Fire and Marine Insurance Company are corporations duly organized under the laws of the State of Connecticut (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint **Marc W. Boots, Vickie Lacy, Susan Golla, Maria D. Zuniga, Richard Covington, Joseph R. Aulbert, Ashley Koletar, Heather Noles, Stephanie Moore Harold, Dylan Young, Ryan Varela, and Melanie Salinas of Houston, Texas**, their true and lawful Attorney(s)-in-Fact to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on, behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.
IN WITNESS WHEREOF, the Companies have caused this instrument to be signed, and their corporate seals to be hereto affixed, this **21st** day of **April, 2021**.



State of Connecticut

By: 
Robert L. Raney, Senior Vice President

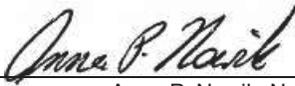
City of Hartford ss.

On this the **21st** day of **April, 2021**, before me personally appeared **Robert L. Raney**, who acknowledged himself to be the Senior Vice President of each of the Companies, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of said Companies by himself as a duly authorized officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

My Commission expires the **30th** day of **June, 2026**




Anna P. Nowik, Notary Public

This Power of Attorney is granted under and by the authority of the following resolutions adopted by the Boards of Directors of each of the Companies, which resolutions are now in full force and effect, reading as follows:

RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the Company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her; and it is

FURTHER RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary; and it is

FURTHER RESOLVED, that any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary; or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority; and it is

FURTHER RESOLVED, that the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any Power of Attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such Power of Attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding on the Company in the future with respect to any bond or understanding to which it is attached.

I, **Kevin E. Hughes**, the undersigned, Assistant Secretary of each of the Companies, do hereby certify that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which remains in full force and effect.

Dated this 12th day of January, 2024.




Kevin E. Hughes, Assistant Secretary

**To verify the authenticity of this Power of Attorney, please call us at 1-800-421-3880.
Please refer to the above-named Attorney(s)-in-Fact and the details of the bond to which this Power of Attorney is attached.**

BOND NO. PB01626000360

OCS ROW NO. OCS-G 29339

BOND TYPE: SUPPLEMENTAL

PENAL SUM \$610,814.58

MULTI-OBLIGEE PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS:

That we, **Talos Energy Ventures, LLC**, a Delaware Limited Liability Company, with its principal office at 333 Clay Street, Suite 3300, Houston, TX 77002, assigned BOEM Company Qualification No. 3026 (“**Principal**”), and **Philadelphia Indemnity Insurance Company**, with an office at One Bala Plaza, Suite 100, Bala Cynwyd, PA 19004 (“**Surety**”), are held and firmly bound unto (i) the United States of America, acting by and through the Bureau of Ocean Energy Management, 1201 Elmwood Park Boulevard, New Orleans, Louisiana 70123 (“**BOEM Obligee**”), and (ii) Shell Offshore, Inc., with a mailing address of P.O. Box 61933, New Orleans, LA 70161, assigned BOEM Company Qualification No. 00689 (“**Seller Obligee**”) (**BOEM Obligee and Seller Obligee being sometimes collectively referred to herein as “Co-Obligees”**), for the penal sum of **Six Hundred Ten Thousand Eight Hundred Fourteen and 58/100 Dollars (\$610,814.58)** lawful money of the United States of America, for the payment of which penal sum the Principal and the Surety bind themselves, their successors and assigns, jointly, severally, and in solido, firmly by these presents, pursuant to the terms hereof.

WHEREAS, Seller Obligee is a former Lessee (as defined herein) on Federal Pipeline Right-of-Way Grant OCS-G 29339 (“**Lease**”), more fully described as follows:

ROW OCS-G29339, Segment Numbers 14368 & 14369: A 200-foot wide and approximately 6.49 miles (34,227') long corridor associated with the 6 5/8-inch Pipeline Segment No. 14368 and a 5-inch umbilical (PSN 14369). The purpose of pipeline ROW OCS-G29339 is to maintain and operate PSN 14368 and to transport bulk oil from SLED S1 in Block 248, through Blocks 247, 203, 202 to Platform A in Block 158, all located in Green Canyon Area.

WHEREAS, pursuant to a transaction between Principal and Seller Obligee in which a record title interest in the Lease has been transferred from Seller Obligee to Principal (“**Assignment Transaction**”), Principal is required to provide security for the Decommissioning Obligations (as defined below) to Seller Obligee; and

WHEREAS, pursuant to applicable laws, rules, regulations, and policies of BOEM Obligee, Principal is required to provide financial assurance for the Decommissioning Obligations (as defined below) to BOEM Obligee; and

WHEREAS, the Surety warrants that it is duly authorized by the proper public authorities to transact the business of indemnity and suretyship in the state where it executed this Bond, that it is qualified to be a surety and guarantor on bonds and undertakings, that it is named in the current Circular 570, published by the Audit Staff Bureau of Accounts, U.S. Department of the Treasury ("*Circular 570*"), and that its certificate of suretyship has not been revoked; and

WHEREAS, the Surety warrants that it has duly executed a power of attorney, appointing the hereinafter named representative as the true and lawful attorney-in-fact of such Surety, upon whom may be served all lawful process in any action or proceeding against such Surety in any court or before any officer, arising out of or founded upon this Bond or any liability hereunder, and does hereby agree and consent that such service, when so made, will be valid service upon it, and that such appointment will continue in force and effect and be irrevocable so long as any liability against it remains outstanding hereunder; but if the named representative becomes no longer able to act as the Surety's true attorney-in-fact, the Surety will immediately execute a new power of attorney appointing a replacement representative authorized to act as its true attorney-in-fact, and will promptly so inform each of the Co-Obligees.

NOW THEREFORE, the Principal, the Surety, and the Co-Obligees agree to the following:

1. **Definitions.** As used in this Bond, the following terms have the following meanings:
 - 1.1 **Bond** means this multi-obligee performance bond, identified as Bond No. PB01626000360;
 - 1.2 **Instrument** includes, individually or collectively, any lease, operating agreement, designation of operator or agent, storage agreement, transfer of operating rights, permit, license, grant, or easement, pursuant to which the Principal has the right, privilege, or license to conduct operations on the Lease to which this Bond applies;
 - 1.3 **Decommissioning Obligation(s)** means any decommissioning obligation(s) or requirement(s) imposed on both the Principal and the Seller Obligee by, or arising from (i) the Lease, (ii) any regulations of the Department of the Interior, or (iii) any Instrument issued, maintained, or approved under the Outer Continental Shelf ("**OCS**") Lands Act (43 U.S.C. §§ 1331 et seq.), related to the record title, operating rights, or ownership interests in the Lease transferred to Principal pursuant to the Assignment Transaction and that accrued before the Principal acquired its record title, operating rights, or ownership interests therein and remained unperformed on the date that BOEM Obligee approved assignment of such interests from Seller Obligee to Principal;
 - 1.4 **Qualified Surety** means a surety named in the version of Circular 570 current at the time the Qualified Surety provides a bond, and at all times thereafter.
 - 1.5 **Lessee** means a BOEM-approved owner of all or a portion of the record title in the Lease or a BOEM-approved owner of all or a portion of the operating rights under the Lease; or a Bureau of Safety and Environmental Enforcement ("**BSEE**")-approved owner of a ROW;

- 1.6 **Person** includes an individual, a public or private entity, a State, a political subdivision of a State, any association of individuals, corporations, States, or subdivisions of States, or a governmental agency; and
- 1.7 **Regional Director** means the Regional Director for the applicable BOEM Obligee Regional Office with jurisdiction over the Lease; and
- 1.8 **Default** means BOEM's determination that the Principal has failed to timely perform the Decommissioning Obligations.
2. The Principal, the Surety, and the Co-Obligees further agree to the following:
- 2.1 The Surety hereby guarantees, to each of the Co-Obligees, the full and faithful performance by Principal of the entirety of the Decommissioning Obligations. Under no circumstances, however, does such guarantee by the Surety exceed the penal sum of the Bond at any time in effect.
- 2.2 The Principal, as agent on behalf of all Lessees on the Lease, will fulfill the Decommissioning Obligations to the same extent as though the Principal were the sole Lessee, as well as the operating rights owner, for the portions of the Lease transferred in the Assignment Transaction.
- 2.3 The Surety does hereby absolutely and unconditionally bind itself to each of (i) BOEM Obligee and (ii) Seller Obligee for all sums required to fund the performance of the Decommissioning Obligations, up to the penal sum of the Bond, regardless of the number of years this Bond is in force.
- 2.4 The Surety will be responsible to each of the Co-Obligees for all Decommissioning Obligations of the Principal until the earlier of: (a) the satisfaction of all Decommissioning Obligations, (b) if the Bond is called, the Surety has provided the funds up to the penal sum of the Bond, or (c) the Decommissioning Obligations are covered by replacement financial assurance approved in writing by each of BOEM Obligee and Seller Obligee which specifically secures the Decommissioning Obligations.
- 2.5 If the Regional Director terminates the period of liability of this Bond in accordance with 30 CFR 556.906, the Surety will remain responsible to the Co-Obligees for Decommissioning Obligations that accrued during the period of liability until the Regional Director issues a written cancellation of the Bond in favor of the Surety.
- 2.6 If this Bond is cancelled, the Regional Director may reinstate this Bond as if no cancellation had occurred if any payment for performance of any Decommissioning Obligation of the Principal is rescinded or must be restored or repaid pursuant to any insolvency, bankruptcy, reorganization, or receivership, or should the representation of the Principal that it has performed the Decommissioning Obligations in accordance with BOEM specifications be materially false and BOEM relied upon such representation in canceling the Bond.

- 2.7 The Surety waives any right of notice of this Bond taking effect and agrees that this Bond will take effect as to each Co-Obligee upon delivery to such Co-Obligee.
- 2.8 Unless explicitly terminated, cancelled, or modified by both BOEM Obligee and Seller Obligee in writing, and as provided for in this Bond, the Surety's obligations will remain in full force and effect, even if:
- a) The Principal or any other person assigns all or part of any interest in an Instrument or in the Lease covered by this Bond;
 - b) Any person modifies an Instrument in any manner, including modifications that result from (i) a commitment to a unit, cooperative, or communitization, or storage agreement; (ii) suspension of operations or production; (iii) suspension or changes in rental, minimum royalty, or the payment of royalties; (iv) modification of regulations or interpretations of regulations; (v) creation or modification of compensatory royalty agreements or payments; or (vi) creation of any mortgage, pledge, or other grant of security interest in an Instrument or the Lease;
 - c) Any person, event, or condition terminates any Instrument or the Lease covered by this Bond, whether the termination is by operation of law or otherwise; or
 - d) Either Co-Obligee takes or fails to take any enforcement action against, or fails to give notice to, or make demand of, any party to any Instrument, concerning the payment or non-payment of rentals or royalties or the performance or non-performance of any other covenant, term, or condition of the Lease, or any contract entered into with respect to the Assignment Transaction.
- 2.9 BOEM Obligee will contemporaneously send a copy to Seller Obligee of any notice of Default sent to Principal or Surety.
- 2.10 After a Default, and upon demand by either of the Co-Obligees, the Surety will provide to such Co-Obligee making demand, pursuant to the procedures set forth in this Section 2, payments up to the penal sum of the Bond to satisfy the Decommissioning Obligations.
- 2.11 Upon Default by the Principal, BOEM Obligee has the right to call the Bond, or a portion of the Bond, by demand upon the Surety without any requirement that BOEM Obligee confer with, or obtain the agreement of, Seller Obligee, subject to the procedures, rights and obligations set forth in this Section 2.
- 2.12 Prior to calling the Bond pursuant to Paragraph 2.11, BOEM Obligee will provide Seller Obligee with thirty (30) calendar days' advance written notice ("**BOEM Notice Period**") of BOEM Obligee's intention to call the Bond (or portion thereof) and stating the scope of the Decommissioning Obligations upon which Principal has defaulted. If, within the BOEM Notice Period, Seller Obligee commits in writing to BOEM Obligee to timely undertake the requisite activities to address the Decommissioning Obligations upon which Principal has defaulted, BOEM Obligee will direct the Surety to pay to Seller Obligee the proceeds of the Bond (or portion thereof). Seller Obligee will utilize the proceeds of the Bond exclusively to diligently and continuously prosecute the performance of the requisite operations and activities until such time

as the Decommissioning Obligations then requiring performance are satisfied.

- 2.13** If BOEM Obligees call the Bond, and within the BOEM Notice Period, Seller Obligees do not commit in writing to perform the Decommissioning Obligations, BOEM Obligees has the right to receive performance of the Decommissioning Obligations by, or the payment of the Bond proceeds from, the Surety, with no further obligation to inform the Seller Obligees or any other party and BOEM Obligees will place the proceeds of the Bond into an appropriate account and dedicate the proceeds to the performance of activities to address the Decommissioning Obligations then requiring performance.
- 2.14** Upon Default, Seller Obligees may call the Bond by demand upon the Surety if (a) Seller Obligees provides BOEM Obligees with thirty (30) calendar days' advance written notice ("***Seller Notice Period***") of its intention to call the Bond (or portion thereof), and (b) agrees in writing to use the proceeds of the Bond exclusively to diligently and continuously prosecute the performance of the requisite operations and activities until such time as the Decommissioning Obligations then requiring performance are satisfied. Seller Obligees hereby acknowledges that this Bond and the procedures relating to utilization of Bond proceeds do not reduce or otherwise modify its regulatory liabilities associated with the Decommissioning Obligations.
- 2.15** If Seller Obligees receives Bond proceeds under any of the provisions of this Section 2, the proceeds will be placed into an escrow or other appropriate account in a federally-insured bank or a federally-insured thrift institution, from which the Seller Obligees may make a withdrawal or series of withdrawals upon submitting to BSEE applicable permits for the contemplated decommissioning operations made the subject of the Default. Seller Obligees pledges to use funds from this escrow or other appropriate account only for satisfying the Decommissioning Obligations then requiring performance.
- 2.16** If Seller Obligees receives bond proceeds under Section 2.12 or withdraws Bond proceeds under Section 2.15, but fails to commence performance of the Decommissioning Obligations, as specified in the regulations at 30 C.F.R., Part 250, subpart Q, within ninety (90) calendar days of receiving/withdrawing the Bond proceeds, or as otherwise mutually agreed in writing, Seller Obligees shall immediately tender to BOEM Obligees the proceeds of the Bond to arrange for performance of the requisite activities to address the Decommissioning Obligations then requiring performance. In order to give BOEM Obligees immediate access to the remaining Bond proceeds pursuant to this Paragraph 2.16, the Seller Obligees will provide, in the agreement establishing the escrow or other appropriate account into which Seller Obligees deposits the Bond proceeds, terms that authorize BOEM Obligees, after notifying Seller Obligees of Seller Obligees's failure to timely commence Decommissioning Obligations, to make withdrawals from the account consistent with this Paragraph 2.16.

2.17 Regardless of which Co-Obligee calls the Bond, and notwithstanding anything else to the contrary herein, any and all proceeds attributable to forfeiture, or call, of the Bond must be applied solely and exclusively to extinguish the Decommissioning Obligations, regardless of insolvency, bankruptcy, or default of the Principal, or an assignment by the Principal of all or part of its interests in the Lease, and all operations and activities necessary to be performed to extinguish such Decommissioning Obligations must be timely performed in accordance with the regulations of the Department of the Interior.

3. Miscellaneous

3.1 Nothing in this Bond expands the obligations and liabilities of Seller Obligee associated with the Lease pursuant to contract or law, and all such obligations and liabilities will be limited to the obligations and liabilities that accrued while Seller Obligee was a Lessee, as that term is used herein.

3.2 If either Co-Obligee decides to commence suit to enforce its rights, it may commence and prosecute any claim, suit, action, or other proceeding against the Principal and Surety, or either of them, whether or not the other Co-Obligee joins such proceeding.

3.3 In the event there is more than one surety, or there are other types of financial assurance securing the Principal's performance of the Decommissioning Obligations, as to a Lease, the Surety's obligation and liability under this Bond is on a "solidary" or "joint and several" basis along with such other surety(ies) and along with any other providers of such financial assurance.

3.4 The Surety agrees that, within five (5) calendar days after learning that it has been de-listed from the Circular No. 570, and/or of any action filed alleging the insolvency or bankruptcy of the Surety, or alleging any violation that would result in suspension or revocation of the Surety's certificate of suretyship, charter, or license to do business, the Surety will give notice to the Principal and the Co-Obligees.

3.5 The Principal agrees that, within five (5) calendar days after learning that the Surety has become bankrupt or, insolvent, or the Surety has had its charter or license to do business suspended or revoked, or is no longer named in the current Circular 570, the Principal will substitute a bond identical in all material respects to this Bond from another Qualified Surety (as defined above).

3.6 The Principal agrees that, within five (5) calendar days of learning of any action filed alleging the insolvency or bankruptcy of the Principal, or alleging any violation that would result in suspension or revocation of the Principal's charter, or license to do business, it will notify the Co-Obligees and the Surety.

3.7 The Surety's obligation and liabilities under this Bond are binding upon the Surety's successors and assigns, if any. Nothing in this Bond permits assignment of the Surety's obligation without the written consent of each of the Co-Obligees.

- 3.8** The Surety hereby waives any defenses to liability on this Bond based on an unauthorized Principal signature.
- 3.9** No forbearance by either of the Co-Obligees will release the Principal and the Surety from any liability under this Bond to any Co-Obligee.
- 3.10** The penal sum of the Bond will be reduced by and to the extent of any payments made by Surety hereunder, or its successors and assigns, if any; however the Bond will remain in full force and effect for the remaining balance of the Bond until all the Decommissioning Obligations are satisfied, or until a replacement bond from a Qualified Surety is provided.
- 3.11** No right or action will accrue on this Bond to or for the use of any person other than the Principal, Surety, the Seller Obligee, and the BOEM Obligee, and their respective heirs, executors, debtor(s) in possession, administrators, assigns, or successors, pursuant to the terms of this Bond and applicable law.
- 3.12** A notice or communication under or in connection with this Bond shall be in writing and shall be deemed to have been duly given or made when (a) delivered by hand by a recognized courier delivery service, on the date shown on the receipt, or (b) in the case of delivery by United States certified mail with return receipt requested and postage prepaid, on the date of delivery. The addresses for all notices are as follows:

Talos Energy Ventures, LLC (Principal)
333 Clay Street, Suite 3300
Houston, TX 77002
Attention: Patricia Rodriguez
Telephone: (713) 380-4951

Philadelphia Indemnity Insurance Company (Surety)
One Bala Plaza, Suite 100, Bala Cynwyd, PA 19004
Attention: Amanda Wickman
Telephone: (281) 881-7507

Bureau of Ocean Energy Management (BOEM Obligee)
1201 Elmwood Park Boulevard
New Orleans, Louisiana 70162
Attention: Regional Director, Gulf of Mexico Region
Telephone: (504) 736-2432

Shell Offshore Inc. (Seller Obligee)
150 North Dairy Ashford Road
Houston, TX 77079
Attention: Nicole Crenshaw
Telephone: (832) 337-0493

A party to this Bond may change its address for notices by written notice to the other parties.

- 3.13 BOEM Obligee acknowledges that Seller Obligee and Principal are parties to the Assignment Transaction, whereby Principal acquired interests in the Lease, and BOEM Obligee agrees that it has no rights, duties or obligations pursuant to the Assignment Transaction, and it is not a third-party beneficiary under the agreements relevant to the Assignment Transaction. Seller Obligee and Principal acknowledge that BOEM Obligee may enforce its regulations concerning the obligations of assignors and assignees.
- 3.14 This Bond will be subject to, and interpreted in accordance with, federal law and, in the absence of federal law, the law of the State of Louisiana, the state adjacent to which the Lease is located. All disputes arising out of or in connection with this Bond shall be resolved exclusively in the federal courts in Texas and the parties hereto consent to the jurisdiction and venue of such courts. Without limiting the foregoing, all regulations governing surety bonds included within 30 CFR 556.900, *et seq.* are incorporated herein by reference for the benefit of both BOEM Obligee and Seller Obligee.
- 3.15 Any decommissioning obligations associated with the Lease and for which Seller Obligee has no liability shall be covered by separate and distinct financial assurance provided to BOEM Obligee by Principal or another party.
- 3.16 This Bond may be executed in any number of counterparts each of which shall be an original, but such counterparts shall together constitute but one and the same instrument. Any .pdf (portable document format) or other electronic transmission hereof or signatures hereon shall, for all purposes, be deemed originals.
- 3.17 The Surety also accepts all Decommissioning Obligations of all previous Sureties or guarantors (if any) even if the Decommissioning Obligations are not Decommissioning Obligations of the Principal during the period of liability of this bond.

IN WITNESS WHEREOF, the above bound parties have executed this instrument to be effective on the 21st day of December, 2023, the name of each corporate party duly signed by its undersigned representative pursuant to authority of its governing body.

[Signature Page Follows]

PRINCIPAL: Talos Energy Ventures, LLC

By: [Signature]

Name: Sergio L. Maiworm, Jr.

Title: Chief Financial Officer and Senior Vice President

Date: December 20, 2023

SURETY: Philadelphia Indemnity Insurance Company

By: Melanie Salinas

Name: Melanie Salinas

Title: Attorney-In-Fact

Date: December 21, 2023



SELLER OBLIGEE: Shell Offshore, Inc.

By: [Signature]

Name: Philip D. Ladner

Title: Attorney-In-Fact

Date: January 11, 2024

BOEM OBLIGEE: United States Department of the Interior

By: Bureau of Ocean Energy Management

By: JAMES KENDALL Digitally signed by JAMES KENDALL
Date: 2024.01.18
16:59:24 -06'00'

Name: James Kendall

Title: Regional Director, Gulf of Mexico Region

Date: _____